

August 23, 2007

Federal Election Commission
999 E Street, NW
Washington, D.C. 20463

ID Number: C00377689

Reference: July Quarterly Report (4/1/07-6/30/07)

To Whom It May Concern:

We received the Commission's letter regarding the above reference report. Please see below for our complete response.

Administrative expenses are paid by our committee through the vendors with whom we work. Rent, utilities, salaries, telephones and the like are included in the invoices we receive from them. Almost all of our services are outsourced so that comprises those types of expenses. No goods or services are being provided to our committee that would constitute an in-kind contribution.

All expenses labeled "fundraising consulting" are for the benefit of our committee. These expenditures were not made on behalf of any other federal candidate. All such expenses are itemized on Line 23.

The expense that you refer to as an "apparent in-kind" is not. According to the Campaign Guide for Non Connected Committees, a reimbursement, even if for the advancement of personal funds, should be reported as an operating expenditure on line 21B.

Thank you for the opportunity to respond, please don't hesitate to contact us should you need further information.

Thank you,

Prosperity PAC
